GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:1631
ANSWERED ON:23.08.2007
RISE IN PRICES OF STEEL
Shaheen Shri Abdul Rashid

Will the Minister of RAILWAYS be pleased to state:

(a) whether it is fact that steel has a transcendently steep rise in its prices;

(b) whether the rise in steel prices has taken the contractors off guard and almost all the allotted steel works have suffered fits and starts;

(c) if so, how many projects are expected to trail behind their schedule of completion, project-wise;

(d) whether the National Projects like Udhampur-Qaziqund-Baramulla is also expected to be delayed; and

(e) if so, whether the Railways take a decision to consider the genuine concerns of contractors working on such projects?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU)

(a): Yes, Sir. Steel prices had an abnormal increase in the recent past.

(b)&(c) : The progress of contractors was adversely affected due to such increase in prices of steel on many projects. The project wise details have not been maintained in this regard.

d) : Yes, Sir. However, it is primarily because of delay in land acquisition, forestry clearances, adverse law and order conditions and technical problems being encountered due to difficult hilly terrain.

(e) : The contract is governed by contract conditions and any price variation is also to be dealt as per price variation clause applicable to the contract.